

## Message Text

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ACTION EB-07

INFO OCT-01 AF-08 ARA-06 EUR-12 EA-07 NEA-10 ISO-00  
CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03 NSAE-00 NSC-05  
PA-01 PRS-01 SP-02 SS-15 USIA-06 FEA-01 ERDA-05  
AID-05 CEA-01 CIEP-01 COME-00 FPC-01 INT-05 OMB-01  
OES-06 STR-04 TRSE-00 ACDA-07 /133 W  
----- 072189 /63

R 202020Z DEC 76  
FM AMEMBASSY CARACAS  
TO SECSTATE WASHDC 6037  
INFO AMEMBASSY ABU DHABI  
AMEMBASSY ALGIERS  
USINT BAGHDAD  
AMEMBASSY BONN  
AMEMBASSY BRASILIA  
AMEMBASSY JAKARTA  
AMEMBASSY JIDDA  
AMEMBASSY KUWAIT  
AMEMBASSY LAGOS  
AMEMBASSY LIBREVILLE  
AMEMBASSY LONDON  
AMEMBASSY MANAMA  
AMEMBASSY MUSCAT  
AMEMBASSY PARIS  
AMEMBASSY QUITO  
AMEMBASSY ROME  
AMEMBASSY TEHRAN  
AMEMBASSY TOKYO  
AMEMBASSY TRIPOLI  
AMEMBASSY VIENNA  
AMEMBASSY DOHA

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E.O. 11652: N/A  
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TAGS: ENRG, OPEC, VE  
SUBJECT: VENEZUELAN REACTIONS TO OPEC PRICE DECISION

1. SUMMARY: VENEZUELA BLAMES INDUSTRIALIZED COUNTRIES FOR  
OPEC LACK OF AGREEMENT ON OIL PRICE INCREASE BUT IS  
OPTIMISTIC THAT LONG TERM UNITY WILL PREVAIL WITHIN OPEC

MEMBERSHIP. END SUMMARY.

2. IN ANNUAL CHRISTMAS MESSAGE PRESIDENT AREZ CITED RESULTS OF OPEC MEETING IN DOHA AS EVIDENCE OF "PERSISTENT" STRUGGLE" WAGED BY INDUSTRIALIZED COUNTRIES TO BREAK UNITY OF DEVELOPING WORLD. PEREZ SAID, "THERE IS NO REASON FOR ALARM-WHAT HAS HAPPENED IN OPEC SHOULD SERVE AS WARNING THAT ONLY THROUGH COMPLETE UNITY CAN WE DEFEAT THE EFFORTS OF THE DEVELOPED COUNTRIES TO BREAK UP RELATION OF OPEC MEMBERS". HE ADDED THAT IN LONG RUN OPEC WILL BE STRONGER THAN EVER.

3. PRESIDENT PEREZ' VIEWS WERE ECHOED BY MANUEL PEREZ GUERRERO, GOV MINISTER FOR INTERNATIONAL ECONOMIC AFFAIRS WHO VIEWED OPEC "CONFERENCE AND RESULTS AS PROOF OF THE INTERNAL UNITY OF OPEC".

4. JUAN PABLO PEREZ ALFONZO, VENEZUELAN CO-FOUNDER OF OPEC STATED THAT THE DIFFERENCES WITH SAUDI ARABIA WERE A TUMOR IN NEED OF EXTIRPATION.

5. WITH REGARD TO SAUDI ARABIAN POTENTIAL FOR ENGAGING IN "DUMPING" UNDER TWO-TIER PRICE SYSTEM, PEREZ ALGONZO STATED THAT THIS WOULD BE DIFFICULT TO ACHIEVE BECAUSE SAUDI ARABIA WOULD THEN BE VIEWED AS ACTING CONTRARY TO THE INTERESTS OF THE ARAB WORLD AND AS AGENTS OF THE ENEMIES OF THE THIRD WORLD.

6. COMMENT: NO OFFICIAL GOV ANNOUNCEMENTS HAVE BEEN LIMITED OFFICIAL USE

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MADE WITH REGARD TO CHANGES IN PRODUCTION, BUT THERE IS THE POSSIBILITY THAT PRESIDENT PEREZ' EFFORTS TO INCREASE EUROPEAN PURCHASES OF VENEZUELAN CRUDE DURING HIS RECENT TRIP, WILL SUFFER WITH THE SAUDI'S OFFERING CRUDE AT LOWER PRICES IN THAT MARKET.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, PRICES, MEETINGS, GOVERNMENT REACTIONS  
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**Copy:** SINGLE  
**Draft Date:** 20 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** morefirh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760467-0782  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** morefirh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 31 MAR 2004  
**Review Event:**  
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**Review History:** RELEASED <31 MAR 2004 by hartledg>; APPROVED <31 MAR 2004 by morefirh>  
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**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** VENEZUELAN REACTIONS TO OPEC PRICE DECISION  
**TAGS:** ENRG, VE, OPEC  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006